

Local Food Promotion Program (LFPP) Final Performance Report

The final performance report summarizes the outcome of your LFPP award objectives. As stated in the LFPP Terms and Conditions, you will not be eligible for future LFPP or Farmers Market Promotion Program grant funding unless all close-out procedures are completed, including satisfactory submission of this final performance report.

This final report will be made available to the public once it is approved by LFPP staff. Write the report in a way that promotes your project's accomplishments, as this document will serve as not only a learning tool, but a promotional tool to support local and regional food programs. Particularly, recipients are expected to provide both qualitative and quantitative results to convey the activities and accomplishments of the work.

The report is limited to 10 pages and is due **within 90 days** of the project's performance period end date, or sooner if the project is complete. Provide answers to each question, or answer "not applicable" where necessary. It is recommended that you email or fax your completed performance report to LFPP staff to avoid delays:

LFPP Phone: 202-720-2731; Email: USDALFPPQuestions@ams.usda.gov; Fax: 202-720-0300

Should you need to mail your documents via hard copy, contact LFPP staff to obtain mailing instructions.

Report Date Range: <i>(e.g. September 30, 20XX-September 29, 20XX)</i>	July 1, 2016 – December 29, 2017
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Recipient Organization Name:	Prima Civitas
Project Title as Stated on Grant Agreement:	"Healthy Lansing"
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	15LFPPMI0124
Year Grant was Awarded:	2015
Project City/State:	Lansing, Michigan
Total Awarded Budget:	\$28,620.00

LFPP staff may contact you to follow up for long-term success stories. Who may we contact?

Same Authorized Representative listed above (check if applicable).

Different individual: Name: _____; Email: _____; Phone: _____

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1. State the goals/objectives of your project as outlined in the grant narrative and/or approved by LFPP staff. If the goals/objectives from the narrative have changed from the grant narrative, please highlight those changes (e.g. “new objective”, “new contact”, “new consultant”, etc.). You may add additional goals/objectives if necessary. For each item below, qualitatively discuss the progress made and indicate the impact on the community, if any.

- i. Goal/Objective 1: Community stakeholder dialogue assessing current local food: access, programming, resources, supply, demand and partnership potential.

Progress Made: After many conversations with Allen Market Place (AMP), it was found that the means to achieve the objectives of this project would need to be tweaked. AMP was certain they have excess capacity that is underutilized as of October of 2015 and asked Prima Civitas (PC) to support them in extending their reach, rather than building an additional not-for-profit food hub serving the north side of the Greater Lansing region. Upon examination, PC agreed to go forward utilizing the LFPP planning grant for a feasibility study to support and expand current Greater Lansing infrastructure rather than develop new. This is in line with the overall program goal and grant language was revised with LFPP program officer, Kim Harmon, on January 14, 2016 by phone and followed in writing via email on January 15, 2016. Following, PC worked to assess how many growers AMP food hub has that could supply fruits and vegetables to Lansing School District from their cadre of 97 farmers and who would need to expand, gain certification, etc. to comply with Lansing School District policies. PC also worked to assess current and needed staffing capabilities, wash/pack space and storage at AMP.

1. Greater Lansing Food Bank

- a. A strong local food partner, the Greater Lansing Food Bank is also home of the Lansing Roots program, an incubator farm, with an additional 10+ acre farm. At the Food Bank, additional food prep, wash, pack, storage and means of distribution is possible.

2. Sodexo-Magic

- a. Sodexo-Magic is an international food procurement company, and the purchasing agent of Lansing School District. Sodexo is in strong agreement with the health and economic benefits of sourcing locally grown foods. They have been a terrific partner and shared their current purchasing history to date, as well as volume, food safety and packaging needs, wants, challenges and budget. PC has been in monthly contact with them with updates on evolving partnership necessary, key points of contact, commodity purchasing lists and school kitchen mapping.

3. Eli Broad College of Business at Michigan State University

- a. The Healthy Lansing LFPP project was nominated by PC to the Michigan State University Eli Broad College of Business Executive MBA “Social Impact” board and chosen in late February 2016 as a student project. Students convened throughout 2016 with PC and formulated a supply chain plan to feed Lansing School District youth.
- b. While AMP was unable to provide details necessary to develop a full business model to scale their food hub to meet Sodexo

needs, it is anticipated this will be developed once the model is tested.

4. Michigan State University Product Center
 - a. The Michigan State University (MSU) Product Center completed a market assessment for the aggregation and distribution of locally grown foods within the tri-county region to feed Lansing School District. They also assisted to oversee the MSU Executive MBA students in their supply chain analysis and strategy recommendation. Through December 2015 to March of 2016 bi-monthly phone call check-in's, emails or meetings were convened to make sure the correct data was being collected and plan of action in development.
5. 20+ Specialty Crop growers were detailed (currently hubbing with AMP) for GroupGAP participation and 5 certified in 2016 through USDA GroupGAP – another project of PC in 2015/2016.
6. Impact on Community: Impacts on the community include increased awareness of local, healthy food importance and new business opportunity for area farmers. Additionally, the MSU Business College and student support has sparked interest in non-participating students to learn more about where their food comes from. The MI Food Hub Learning & Innovation Network, Farm to Institution Network and Farm to School Networks are also aware and interested. This project will act as a resource that they may share with other interested parties looking to replicate.

ii. Goal/Objective 2: Supplier and Purchaser interview series.

a. Progress Made:

1. Allen Market Place and Sodexo-Magic points of contact have been interviewed regarding their volume, food safety practices, packaging and refrigeration requirements over the course of 2016.
 - a. Key Points Include:
 - i. Sodexo is extremely flexible and understands the value of buying local foods.
 - ii. They will work with AMP to integrate their produce into the Sodexo supply chain.
 - iii. While Sodexo is not concerned with AMP being price competitive, it should be noted their meal price point is \$1.18.
 - iv. Sodexo requires AMP to contact their purchaser with produce quantity and price each week (there is no minimum).
 - v. AMP must deliver the agreed upon produce each week to the Sodexo Hill Center. From there, food is distributed to 20 different buildings with 200 students per building.
 - vi. This produce should be cleaned but does not require individual serving packaging.

- vii. Items to keep in mind: AMP purchaser orders twice per week online; Orders are placed Monday and delivered Thursday; Orders placed on Friday are delivered Tuesday, and; The system can handle more.
 - viii. Currently, AMP is at approximately 30 bushels/65 boxes per week for their wash/pack processing. Their estimated capacity could increase up to 50 bushels/week.
 - ix. AMP is not currently able to hire more staff so their purchaser and three interns are currently processing volume.
 - 2. Met with “Farm to School” and “Farm to Institution” networks points of contact for updates and interview question crafting to speak to broader farmer population.
- b. Impact on Community: Local farmers hubbing at Allen Market Place have noted their excitement as well as readers of the AMP newsletter. In particular the “Lansing Roots” farm (an incubator for migrant and transitional peoples within the Lansing area) have many farmers who are expressing interest in and support of this project. However, the greatest impact was on the business students with regard to their backgrounds in business, finance and supply chain. Most had not considered what their children were eating with the cafeteria nor how difficult it is (even with the most flexible of partners) to incorporate new product into a well-established pipeline. The majority had also never worked with a “forming” local supply chain, but rather well established and national networks.
- iii. Goal/Objective 3: Local food aggregation/distribution model and plan development combining current food access need with streamlined regional delivery suggesting new partnership and short, medium and long-term supply chain development.
 - a. Progress Made:
 - 1. Supply Chain Model Development:
 - a. This model was developed by the Class of 2017 Executive MBA Social Impact team at Michigan State University. See Figure 1 for supply chain modeling. See Figure 2 for pilot financials supplying Sodexo with AMP product. Key points are summarized in Goal 2.

Figure 1: “Healthy Lansing” Supply Chain Model

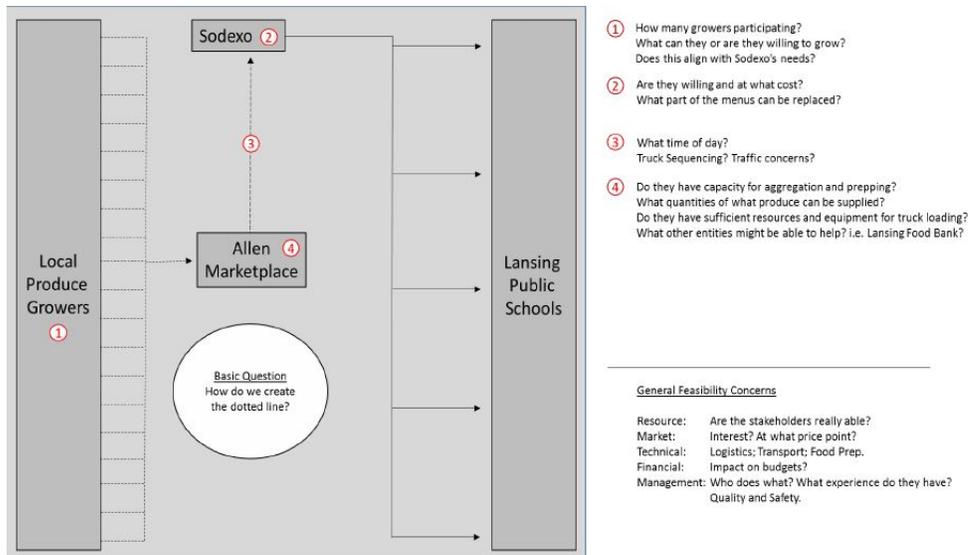


Figure 2: “Healthy Lansing” Pricing Chart Meeting Sodexo Need With AMP Supply

	August	September	October	November	December	January	February	March	April	May	Unit	Price Range	Unit
Apple	0	0	50	100	100	100	50	30	0	0	cs/week	\$15.00-55.00	case
Carrot	20	30	50	80	80	80	40	40	30	20	#/week	\$1.25-2.80	pound
Spinach	0	0	0	10	20	5	5	20	20	20	#/week	\$5.80-9.00	pound
Lettuce, mixed	0	0	20	20	50	0	0	20	10	10	#/week	\$4.67-8.00	pound
Lettuce, head	0	0	0	150	150	50	50	0	0	50	ea/week	\$1.83-2.48	head

b. Impact on Community: Collecting this data provided insight and advice to open the gateway to increased wholesaling for AMP reaching 97+ farmers. Ultimately, this could offer 100,000 additional meal side dishes for 20,000 youth in the Lansing region. Sodexo-Magic may also consider AMP to supply their other clientele regionally including business, health and academic entities.

- iv. Goal/Objective 4: Supply chain feasibility study assessing model for economic, market, technical, financial and management feasibility.
 - a. Progress Made: Below is the feasibility study summary developed by PC project partner, Michigan State University Product Center.

I. Introduction

This feasibility study analyzes the potential success of increased sales of locally produced fruits and vegetables to the Lansing School District. A particular focus of this analysis is the potential to use Allen Marketplace as a distribution center for the firm that distributes food to the school district. The feasibility assessment will focus on economic feasibility, market feasibility, technical feasibility, financial feasibility and management feasibility. To the greatest extent possible, this analysis follows the outline in RD 4279-B Appendix A *Guide for the Completion of Feasibility Studies* from the U.S. Department of Agricultural Rural Development. Analysis carried out by Executive MBA students at the MSU Broad College of Business is the primary source of information, but other sources are also used.

II. Economic Feasibility

In this case economic feasibility refers to access to raw materials and other factors that relate to the project, including access to a distribution center of sufficient size and infrastructure needs. Allen Marketplace orders twice a week, on Monday for delivery on Thursday and on Friday for delivery on Tuesday. There is also some flexibility for additional ordering if needed to support this project. A strength of this project is the willingness of both Allen Marketplace and Sodexo to be flexible in order to make more locally sourced produce available to the Lansing School District.

These figures provide an approximate amount available during the school year (see Goal 3, Figure 2.). Unsurprisingly, apples are the fruit with the largest supply especially in the late fall and early winter. There is also a fairly healthy supply of head lettuce in the late fall and early winter. Processing head lettuce may be problematic since Sodexo generally handles fully prepared or semi-prepared food items. The supplies of other vegetables are relatively small which indicates that Sodexo is not dependent on these amounts to meet the needs of the Lansing School District. Sodexo has indicated an interest to use locally sourced fruits and vegetables as part of their procurement policy. Since distributing food to the Lansing School District is already occurring there are no infrastructure barriers, especially at the Hill Center location. This project is economically feasible.

III. Market Feasibility

Access to healthy food is important given the social and economic difficulties facing Lansing students. According to the state of Michigan there were 11,155 students in the Lansing School District in the 2015-2016 school year of which 7,428 were eligible for the free lunch program and an additional 448 were eligible for a reduce cost lunch. More than 70 percent of students were eligible for a free or reduced lunch. One possible implication of this is that for many students, lunch is their best opportunity for a complete and well-balanced meal; for some students it could be the only meal they have all day. These facts support the importance of providing fresh fruits and vegetables to students.

Market feasibility is rather straight forward due to Sodexo's ability and willingness to work with Allen Marketplace. Sodexo is willing to take all the produce that Allen Marketplace has on any given day. Allen Marketplace will deliver an agreed upon level of output on a specified day and time to the distribution center. The produce needs to be cleaned but does not need to be packaged in individual services. Sodexo could be willing to clean the produce. Delivery could be a challenge given the space constraints at the Allen street location. This will be discussed further in the technical feasibility section of the report.

IV. Technical Feasibility

It is envisioned that local farmers would transport their produce from the farm to Allen Marketplace. Allen Marketplace would then transport the produce to Sodexo, which in turn, prepares and distributes the food to the schools. A fundamental question is whether or not it would be better if farmers delivered the food directly to Sodexo with Allen Marketplace acting as an aggregator/broker between the farmers and Sodexo, without ever having to go to the Allen street location. Allen Marketplace's capacity is relatively limited especially given that the location also acts as an incubator kitchen, and a farmers market. The capacity for washing is about 65 boxes per week (35 bushels). The estimated maximum capacity is 50 bushels per week. Currently the facility is serviced by 97 farmers. Most of the output is seasonal; this

was shown in figure 1 which showed that all crops with the exception of carrots were not available throughout the school year. There is a minimal amount of leafy greens available and there are also some root vegetables available in the fall.

The time of day that deliveries take place is also an issue. Drop-offs are from 9:00 to 12:00 in the morning and pick-ups/delivery is from 12:00 to 5:00 PM. Schools generally start preparing food and their kitchens from 8:00 to 9:00 AM which means that the produce needs to be available first thing in the morning. Sodexo, starts taking deliveries at 4:00 AM this mismatch in schedules is a concern. Another issue with the Allen street location is the lack of loading capacity. The location does not have a dock, and the parking lot is relatively small with a two truck maximum. Direct delivery to the Hill Center location could address this shortcoming. The Hill Center location has several desirable characteristics that would make the project feasible. Loading docks already exist, and Sodexo prepares the food for delivery to the schools. Sodexo has also expressed a willingness to wash the produce just to support the school to work program.

The Sodexo system is based on a four-day turnaround. On the first day the produce is delivered, on the second day the food is packaged, on the third day the food is shipped to the school and on the fourth day it is eaten by the students. It should also be noted that Sodexo does not see any logistical issues with the program. The firm would like to a schedule to know what amounts of different commodities are available and when they are available. This is a role Allen Marketplace could fill.

V. Financial Feasibility

Financial feasibility is not a major concern for two primary reasons. The first is that Sodexo is willing to buy from local farmers to support the community. The firm understands that the price it will pay local farmers will likely exceed the price it currently pays for some produce. It should also be noted that with the potential exception of apples, the volumes considered will not have a major impact on Sodexo's operation. As a result of these factors, the project is feasible from a financial perspective.

VI. Management Feasibility

Management feasibility is not a concern. Sodexo is already serving the school market and Allen Marketplace is already acting as a food hub. This project would not have a major impact on the supply chain or distribution. Allen Marketplace may need to hire a part-time coordinator to assist in linking local farmers with Sodexo and managing deliveries. Sodexo may have to hire one or two people to help clean and process the fruits and vegetables before being delivered to the schools. As noted in the technical feasibility of the report, the Allen street location is not well suited to being the physical location for deliveries. This project is feasible from a management perspective. Feasibility is improved due to Sodexo's interest in the project and their willingness to sacrifice some profitability to see the project to completion.

VII. Summary

This project is feasible from all perspectives. While there is not a great deal of fresh fruits and vegetables produced in the region, there are limited opportunities. Apples and carrots are a particular strength. There are no capacity or infrastructure constraints. The project is feasible from an economic perspective.

Marketing is a particular strength of this venture. Local farmers would be assured of a market and local students would be assured of some degree of locally produced fruits and vegetables. Access to fruits and vegetables is particularly important given the economic difficulties facing the families of many Lansing students.

Technical feasibility is somewhat problematic especially at the Allen Marketplace. Using the Allen Marketplace is not recommended given rather the small operating space, the amount of residential housing in the neighborhood and the fact that Sodexo prefers early morning deliveries. Using the Hill Center is possible and would likely enhance efficiency. Staff at the Allen Marketplace could play a coordinating role by linking local farmers with Sodexo and aiding in scheduling. The project is technically feasible if the Hill Center location is used.

The project is financially feasible because profitability really is not a consideration. The small volumes involved and the fact that Sodexo is willing to do this even if it costs them more make this project financially feasible. The project is also feasible from a management perspective. Sodexo is already serving the Lansing School District and Allen Marketplace is already acting as a food hub. While some additional part-time staff may be necessary to help coordinate the deliveries from local farmers to Sodexo, the pieces for distributing locally produced fruits and vegetables are already in place.

b. Impact on Community: As of 2016, community impact is not greater than that discussed within Goals 1, 2 and 3. However, based on this feasibility study it is clear that all of Lansing School District, Sodexo (a US supplier also working internationally) and those 97+ farmers serving the AMP food hub could be significantly effected.

2. Quantify the overall impact of the project on the intended beneficiaries, if applicable, from the baseline date (the start of the award performance period, September 30, 2015). Include further explanation if necessary.
 - i. Number of direct jobs created: 0
 - ii. Number of jobs retained: 0
 - iii. Number of indirect jobs created: 0
 - iv. Number of markets expanded: 0
 - v. Number of new markets established: 0
 - vi. Market sales increased by \$0 and increased by 0%.
 - vii. Number of farmers/producers that have benefited from the project: 0
3. Did you expand your customer base by reaching new populations such as new ethnic groups, additional low income/low access populations, new businesses, etc.? If so, how?
 - i. In the immediate, new customer bases were not reached. This project focused on using current Allen Market Place food hub farmers to expand their wholesale market to Sodexo Magic. However, in the future this is much more likely to expand to new populations based on this planning work.
4. Discuss your community partnerships.
 - i. Who are your community partners? Lansing School District, Sodexo-Magic, AMP, MSU Business College, MSU Product Center and Greater Lansing Food Bank.

- ii. How have they contributed to the results you've already achieved? Without their partnership all the necessary pieces of information to build the groundwork for this feasibility study would not be available and/or analyzed. They were the partnership infrastructure that helped frame the questions asked, analyzed the data and supported such a model.
 - iii. How will they contribute to future results? Lansing School District hopes to implement this project with the help of their purchaser, Sodexo-Magic. This would be made possible by supplier, AMP. The MSU EMBA program and Product Center are available to draw a road map to do this with One-Community Consulting for increased healthy, local food access and well-being of area youth into the future.

- 5. Are you using contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project?
 - a. MSU Product Center: Conducted all feasibility studies
 - b. Class of 2017 Executive MBA Social Impact team: Built the supply chain model and conducted research

- 6. Have you publicized any results yet?
 - i. If yes, how did you publicize the results? The LFPP award was announced in Prima Civitas' 2015 annual report and through social media. Progress updates were made by the MSU EMBA team.
 - ii. To whom did you publicize the results? A listserv of Michigan and national economic development related organizations including: philanthropic, governmental, educational, business and not for profit entities received this information.
 - iii. How many stakeholders (i.e. people, entities) did you reach? 2000+
 - iv. If yes, how did you publicize the results? Results were not published as of December 28, 2016 as the Executive MBA team worked right up through December. This project will be handed off to AMP as of January 2017, Lansing School District and Sodexo Magic for their publication. However, the MSU Eli Broad College of Business did announce the project and it's completion to their listserv in a December email.
 - v. How many stakeholders (i.e. people, entities) did you reach? 1,000's+ across the state of Michigan and nationally.

- 7. Have you collected any feedback from your community and additional stakeholders about your work?
 - i. If so, how did you collect the information?
 - a. Class of 2017 Executive MBA students were guided by PC and Eli Broad College of Business professors to work with AMP. Through this the Broad College met monthly with students and was always accessible by phone and email for questions. Additionally, the MSU Product Center provided feedback and guidance throughout 2016.
 - ii. What feedback was relayed (specific comments)?
 - a. Information provided included coaching in how to best work with an under staffed non-profit, navigation of K-12 purchasing processes and supply chain development.

- 8. Budget Summary:

- i. As part of the LFPP closeout procedures, you are required to submit the SF-425 (Final Federal Financial Report). Check here if you have completed the SF-425 and are submitting it with this report:
- ii. Did the project generate any income? N/A

9. Lessons Learned:

- i. Summarize any lessons learned. They should draw on positive experiences (e.g. good ideas that improved project efficiency or saved money) and negative experiences (e.g. what did not go well and what needs to be changed).
 - a. The largest and most recurring lesson was the facilitation of partnership across multiple sectors including business, academia, economic development and non-profit. All work within different contexts and with different models. Therefore, it is similar to speaking four different languages with a translator involved to come to common understanding. This is very healthy and the only way a community may move together in a united way with common goals benefitting all populations.
- ii. If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving:
 - a. The business model was not developed. The Executive MBA team asked the correct questions, but necessary detail was unavailable from project partners served to build it.
- iii. Describe any lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project:
 - a. At times communications regarding this project were lost in translation and became disorganized across sector. As with any community project, organizational leaders must be at the table as much as possible in all conversations in addition to their staff.

10. Future Work:

- i. How will you continue the work of this project beyond the performance period? In other words, how will you parlay the results of your project's work to benefit future community goals and initiatives? Include information about community impact and outreach, anticipated increases in markets and/or sales, estimated number of jobs retained/created, and any other information you'd like to share about the future of your project.
 - a. As Prima Civitas has dissolved, the project lead Mary ZumBrunnen, will stay in regular contact with AMP through her business, One-Community Consulting (www.one-communityconsulting.com). This planning project can effectively be implemented as Sodexo-Magic indicated it would purchase any excess that AMP has available.
- ii. Do you have any recommendations for future activities and, if applicable, an outline of next steps or additional research that might advance the project goals?
 - a. It would be most helpful for AMP to cost compare the additional benefit of having another staff member on board for processing and school delivery to meet Sodexo's interest.
 - b. Additionally, AMP should work with Sodexo to understand where their excess cap is, set this as a target goal and develop a three to five year plan with their farmers to supply this.